



## Lithium Energy Products Receives TSX Venture Conditional Approval for Lost Sheep Mine Acquisition

Vancouver, British Columbia – February 10<sup>th</sup>, 2020. LITHIUM ENERGY PRODUCTS INC. (“**LEP**” or the “**Company**”) (TSX-V: LEP) (FRANKFURT: N8I) today announced that, further to its news releases of April 3, 2019, October 11, 2019 and January 29, 2020, it has received conditional approval from the TSX Venture Exchange (the “**TSXV**”) for the proposed transaction with American Strategic Minerals Inc. (“**ASM**”), a private British Columbia company, to acquire 100% of the Lost Sheep Fluorspar Mine.

The transaction is structured as a three-cornered amalgamation among LEP, ASM, and a wholly-owned subsidiary of LEP (the “**Transaction**”) pursuant to a definitive amalgamation agreement dated April 1, 2019, as amended (collectively, the “**Agreement**”). Pursuant to the terms of the Agreement, the existing shareholders of ASM will each receive one unit from LEP (each, a “**Unit**”), each Unit consisting of one common share of LEP (each, a “**Lithium Share**”) and one half of one warrant at an exercise price of \$0.16 for each two shares of ASM. In earlier news releases it was originally reported that LEP would issue an aggregate of 14,274,560 Units to the existing holders of ASM. However, the Company wishes to confirm and advise that it will be issuing a total of 14,184,560 Units to the existing holders of ASM.

In its news release of January 29, 2020, the Company announced it was conducting a non-brokered private placement (the “**Financing**”) raising gross proceeds of up to a remaining amount of \$3,300,000 at a price of \$0.08 per unit, with each unit comprised of one Lithium Share and one half of one share purchase warrant of LEP (each, a “**Lithium Financing Unit**”), and with each whole warrant entitling the holder to acquire an additional Lithium Share at the exercise price of \$0.15 for a period of two years from the date of issuance (each, a “**Lithium Warrant**”). The Company originally anticipated it would raise an additional \$1,800,000 in the Financing, or the issuance of 22,500,000 Lithium Financing Units. The Company is pleased to report that it anticipates it will increase the amount to close on an aggregate of \$1,966,400, or the issuance of 24,580,000 Lithium Financing Units. All other terms of the Financing as disclosed in the news release of January 29, 2020 remain the same.

In its news release of January 29, 2020, the Company also previously announced it would settle an aggregate of \$454,591 bona fide debt owed by LEP to certain creditors through the issuance of up to 5,682,387 Lithium Shares (the “**Debt Settlement**”). Subsequently, the Company has revised the terms of the Debt Settlement, by decreasing the amount of the bona fide debt to be settled to \$255,558. The Company intends to settle the debt through the issuance of an aggregate of 3,194,474 Lithium Shares to the creditors and 1,394,737 Lithium Warrants to certain of the eligible creditors.

There are currently 16,063,375 Lithium Shares issued and outstanding. On the closing of the Transaction, and assuming 24,580,000 Lithium Shares are issued in the Financing and 3,194,474 Lithium Shares are issued in the Debt Settlement, LEP anticipates that there will be a total of 58,022,409 Lithium Shares issued and outstanding on a non-diluted basis with 27.7% held by current LEP shareholders, 42.4% held

by investors in the Financing, 5.5% held by creditors participating in the Debt Settlement and 24.4% held by current shareholders of ASM. LEP does not anticipate that the Transaction or the ancillary matters thereto will result in any new Insiders of LEP (as that term is defined by the policies of the TSXV).

The Company will change its name to Ares Strategic Mining Inc. with the Ontario Registry effective February 13, 2020. The Company's shares will begin trading on the TSXV under the new symbol "ARS" on February 13, 2020. The new CUSIP number is 04017M104 and ISIN number is CA04017M1041.

Trading in Lithium Shares has been halted and will remain halted pending review by the TSXV of the Transaction, and satisfaction of TSXV conditions with respect to the same.

Securities issued by LEP in connection with the Financing and the Debt Settlement will be subject to resale restrictions as required pursuant to TSXV policies and securities laws.

James Walker, CEO of the Company said: "Receiving the Exchange's conditional approval is a big milestone on our journey to reinvent and remodel the Company and our ambition to transition from an exploration business to a mining company. The new project, financing, name, Board, and strategic partners have all been part of our larger plan to create a profitable and productive business with a secure financial future."

**ON BEHALF OF THE BOARD OF DIRECTORS OF LITHIUM ENERGY PRODUCTS INC.**

*"James Walker"*

James Walker  
Director and Chief Executive Officer

For further information, please contact James Walker by phone at 604-566-8570 or by email at [jwalker@lithiumenergyproducts.com](mailto:jwalker@lithiumenergyproducts.com).

***Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.***

***Disclaimer for Forward-Looking Information***

*Certain statements in this release are forward-looking statements, which reflect the expectations of management regarding the Transaction. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Forward looking statements in this news release include, without limitation: the expectation that the Transaction will close; the ability of LEP to obtain the necessary approvals, and complete the approval process; a suggestion that the Financing and Debt Settlement will be completed as contemplated; the proposed name change; and the anticipated share numbers and percentages on closing. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements, including the risk that the TSXV may not grant final approval to the Transaction or the ancillary matters contemplated therein; the inability to close the Financing and/or Debt Settlement; that the Transaction may not be completed for any other reason; or that factors may occur which impede or prevent future development plans. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits LEP will obtain from them. Readers are urged to consider these factors carefully in evaluating the forward-looking statements contained in this news release and are cautioned*

*not to place undue reliance on such forward-looking statements, which are qualified in their entirety by these cautionary statements. These forward-looking statements are made as of the date hereof and LEP disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise, except as required by applicable securities laws.*